

JOE WARDY
MAYOR



CITY COUNCIL

SUSAN AUSTIN
DISTRICT NO. 1

ROBERT A. CUSHING, JR.
DISTRICT NO. 2

JOSE ALEXANDRO LOZANO
DISTRICT NO. 3

JOHN F. COOK
DISTRICT NO. 4

DANIEL S. POWER
DISTRICT NO. 5

PAUL J. ESCOBAR
DISTRICT NO. 6

VIVIAN ROJAS
DISTRICT NO. 7

ANTHONY W. COBOS
DISTRICT NO. 8

SPECIAL CITY COUNCIL MEETING
COUNCIL CHAMBERS
JUNE 9, 2004
5:00 P.M.

The City Council met at the above place and date at approximately 5:14 p.m. Mayor Joe Wardy present and presiding and the following Council Members answered roll call: Robert A. Cushing, Jr., John F. Cook, Vivian Rojas, and Anthony Cobos. Absent: Susan Austin, Jose Alexandro Lozano, and Daniel S. Power. Late arrival: Paul J. Escobar at 5:20 p.m.

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AGENDA

1. Discussion on the arena proposal made by Global/Cypress team.
2. Discussion on other arena proposals.
3. The City Council of the City of El Paso will retire into **EXECUTIVE SESSION** pursuant to Section 3.5A of the El Paso City Charter and the Texas Government Code, Chapter 551, Subchapter D, to discuss and take action on any of the following: (The items listed below are matters of the sort routinely discussed in Executive Session, but the City Council of the City of El Paso may move to Executive Session any of the items on this agenda, consistent with the terms of the Open Meetings Act.)

Section 551.071 CONSULTATION WITH ATTORNEY

Section 551.072 DELIBERATION REGARDING REAL PROPERTY

Section 551.073 DELIBERATION REGARDING PROSPECTIVE GIFTS

Section 551.074 PERSONNEL MATTERS

Section 551.076 DELIBERATION REGARDING SECURITY DEVICES

Section 551.087 DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS

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1. Discussion on the arena proposal made by Global/Cypress team.

Mr. Rick Kozuback, President and CEO of Global Entertainment gave a presentation (on file in the City Clerk's office) and clarified their proposal originally presented on June 2, 2004 to City Council. He highlighted why Bassett Center was selected as their arena site and addressed previous concerns from the Council Members regarding revenue, expense projections, venue size, etc. through the presentation. Mr. Kozuback noted that Cypress and Global Entertainment would be partners in the venture and answered questions from and responded to comments made by the Council Members.

Mayor Joe Wardy and Representative Cushing questioned Mr. Kozuback regarding Cypress/Global's proposal.

Representative Cobos questioned the Mayor regarding the architect/engineer/construction and building process.

Mayor Joe Wardy explained that the packages proposed by the groups would include the site for the arena. He added that Council could decide to place one or more propositions on the ballot and let the voters decide on each.

Ms. Terri Cullen-Garney, Deputy City Attorney, requested direction from the Council Members pertaining to the A&E selection and bidding processes. She explained that currently the City's bidding provisions do not allow a turnkey operation. She answered questions from and responded to comments made by the Council Members.

Representative Cook made remarks regarding turnkey operations authorized under State statutes applicable to bidding and recommended amending the City's ordinance to adopt those procedures. He noted that the public expected the Council to do their due diligence, review the proposals' merits, make informed decisions, and determine one proposal to present on the ballot.

Mr. Kozuback stated that the company would prefer the turnkey operation concept.

Representative Escobar added that the arena project should be a viable proposal that can be realized.

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2. Discussion on other arena proposals.

Mr. Steven Sambrano, SamCorp General Contractors, presented another arena proposal (on file in the City Clerk's office) and advocated for a downtown arena as the best site. He stressed that a public entity must be involved and requested that SamCorp be allowed to come back to Council with a more formal proposal.

Mr. Bill Blaziek, General Manager, El Paso Convention and Visitors Bureau and El Paso Convention and Performing Arts Center representing SMG Corporation (Convention Center's and Destination Marketing Division), gave an overview of SMG Corporation's Arena operations. He explained SMG operates 68 arena facilities, 19 of which are new. He stated SMG would use Mervyn Moore and the Roser Group to design their proposed El Paso arena and answered questions from and responded to comments made by the Council Members. He answered questions from and responded to comments made by the Council Members.

Representative Cook questioned Mr. Blaziek regarding SMG's operation of Texas arena facilities. Mr. Blaziek responded that SMG was managing the City of Laredo's arena, with a seating capacity of 10,000.

Representative Cook requested that the Legal Department craft an Ordinance, such as the City of Laredo's Ordinance, to allow the City of El Paso to adopt the turnkey operation provision in our bidding process.

Representative Cushing questioned Mr. Blaziek regarding condemnation and parking issues. He cited a study that showed no synergy between the convention centers and downtown arenas.

Texas State Representative Norma Chavez spoke in favor of the Bassett Center site, which is adjacent to her district, and stated that the community had the right to vote on the Bassett Center proposal.

Mr. Terry Lee Scott, Director of Mass Transit, commented on parking at the Union Plaza Transit Terminal and the cost to add two additional floors. He explained the cost as originally calculated would be \$1 million per floor, but that the cost may have escalated in the interim since the original plans were drafted. He answered questions from and responded to comments made by the Council Members.

Mr. David Dobson, Director of Economic Development, cautioned Council about rushing into the selection of an arena site. He cited his experience in Peoria, Illinois with a downtown arena and the positive affect the arena had in vitalizing downtown. He stated that making downtown a 24/7 setting required a clustering of venues in the downtown area. He asked the Council to allow City staff and the community time to study the issues so that voters would be provided with information they need in order to decide on the ballot proposal.

The following individuals commented and/or responded to questions and comments from the Council:

Mr. Richard Schechter, citizen, asked that the Council look at a 10-20 year strategic plan for the City, to include transportation infrastructure, prior to determining the appropriate location for the arena. He advocated the downtown area over Bassett Center as the arena site. He urged the Council to plan for use of the rail yards once they are gone. Representative Cushing asked follow-up questions and Mayor Wardy commented on the lack of funding for clean up and relocation of the rail yards.

Mr. Michael E. Breiteringer, Executive Director, El Paso Central Business Association and El Paso Downtown Management District, commented on the availability of downtown parking adequate to handle large events, the need to educate the public and the need to prepare a concise arena plan. He passed out a letter from the Paso Del Norte Group and the Central Business Association to the Council Members. (on file in the City Clerk's office).

Mr. Jack Cardwell, Co-Chair Paso Del Norte Group, spoke in favor of a downtown site for the arena and defined the Paso Del Norte Group's timeline for a downtown arena. He requested that the Council postpone any decision regarding the arena.

Representative Rojas questioned Mr. Cardwell why, if the downtown arena was such a good idea, no one has come forward with a plan before.

Mr. Gilbert Moreno, Co-Chair Paso Del Norte Group, spoke on downtown revitalization and the downtown site for the arena. He stressed that the Paso Del Norte Group was in favor of an arena but would like to see more planning conducted.

Mr. Pat Goff, citizen, addressed the parking situation downtown and the Union Plaza Transit Terminal's proximity to the proposed site for a downtown arena. He stated emphatically that there was no parking problem downtown due to the linkage to Mass Transit represented by the Union Plaza Transit Terminal. He expressed regret that the City cut the federal funding that would have paid for the extra two floors at the Union Plaza Transit Terminal. He urged Council not to sell out our children and grandchildren for 5,000 to 7,000 seats in an arena and urged Council to plan a larger facility.

Mr. Jose Luis Loya, Ciudad Juarez Channel 5 XEJTV and Gallos de Pellea, explained his chairman's commitment to the project and the favorable site Bassett Center provided. He stated that the public had waited a long time for an arena and urged Council to stop analyzing and take action. He answered questions from and responded to comments made by the Council Members, focusing on basketball and other sporting events.

Mr. Luis Acuna, citizen, explained that he coached Little League and football teams and spoke in favor of the Bassett Center arena site. He expressed reservations about taking a carload of children to a downtown arena site.

Mr. Kozuback, spoke on behalf of Mr. Adrian Peña, C. F. Jordan representative, and commented on C. F. Jordan's participation in the arena project at Bassett Center.

Mr. Ray Gilbert, citizen, spoke in favor of the efforts of the Paso Del Norte Group and cited a downtown arena as a linchpin of downtown redevelopment. He spoke about the need to follow State bid statutes in bidding the projects. He also stated that he does not want the arena to compete with the County Coliseum for business.

Mr. George G. Sarmiento, Director of Planning, Research and Development, spoke in favor of the Paso Del Norte Group's efforts and their plan to hire a nationally recognized planning firm to assist in developing an arena proposal.

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Representative Cook asked the City Attorney review the City of Laredo's Ordinance for turnkey operation.


Representative Cobos asked that the City Attorney review the feasibility of placing more than one proposal on the ballot.

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Motion made by Representative Cushing, seconded by Representative Cobos and unanimously carried to adjourn this meeting at 7:27 p.m.

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APPROVED AS TO CONTENT:



Richarda Duffy Momsen, City Clerk